



Changing the Course of Minnesota River Flooding Commercial Buyouts

Full Mitigation Best Practice Story

Le Sueur County, Minnesota

St. Peter, MN - The Minnesota River covered Highway 99 in Le Sueur County in the spring of 2001. The high water caused the closing of the busy roadway that crosses the river and made the bridge from the unincorporated community of East St. Peter to the city of St. Peter impassable. The rush of waters was a repeat of the flooding in 1997, and before that in 1993.



But for the last two flooding events, damage to residences and businesses along Highway 99 in the East St. Peter area simply did not occur. A buyout program, initiated after devastating flood damage in 1993, helped 16 business owners and two homeowners move out of the floodplain by the time the 1997 flood hit.

"Had the houses and businesses still been located in East St. Peter, they would have had two to six feet of water in them," said Darrell Pettis, Le Sueur County Engineer, describing the 2001 flood.

After floodwaters devastated the area in the 1960s, the Army Corps of Engineers constructed a dike as a temporary solution in 1969. It served its purpose prior to the 1990s, holding high waters back from flooding homes and businesses. Since it was built as a temporary protective measure, no funding was in place for maintenance or upgrading. The community needed a permanent solution.

Le Sueur County stepped up to be the local-share partner for the Hazard Mitigation Grant Program (HMGP) acquisition project, administered through the Division of Emergency Management (DEM) after the presidentially-declared disaster of 1993. The Minnesota Department of Trade and Economic Development (DTED) and the Department of Natural Resources (DNR) helped Le Sueur County with the local share match for the buyout program. DTED also added grant money for conducting environmental studies and cleanup.

Repetitive flooding endangers communities at many levels: loss of life, reduction of property values, significant losses in revenue and stress-related illnesses. These severe consequences push citizens and local officials to action and force difficult decision-making.

The concept of FEMA's acquisition program is simple. When homes and businesses have been involved in heavy flooding (especially multiple flooding events), and local officials and owners of these properties are looking for a solution, FEMA's buyout program can completely eliminate future flooding problems by removal of structures.

The buyout process can take years to complete. In the East St. Peter project, a number of businesses were involved and various funding agencies participated. Public meetings were held, and subsequently, appraisals and negotiations were conducted on all the properties. Owners were offered a pre-flood fair market price and additional monies for relocation expenses. Environmental testing took place as required by federal law in the purchase of commercial property. By the next major flood, the buyouts were complete.

The flood of 1993 caused business losses of hundreds of thousands of dollars from damage and lost revenue. Even at that, the decision to "get out" was an agonizing one. For some, it was saying good-bye to the livelihoods they had known for 20-30 years and a lifetime of customer-based relationships. One East St. Peter business, Whiskey River restaurant and bar, chose to rebuild on much higher ground.

Bob Wright owns Whiskey River, the largest dining establishment in the St. Peter area. Choosing to remain along Highway 99, Bob undertook a major rebuilding effort. Cooperating with local, state and federal agencies, Whiskey River was elevated in compliance with the local floodplain ordinance, greatly reducing the risk of flooding.

"We owned the land already. We had been in business for fifteen years and had a good reputation. We checked into other sites in St. Peter and they just didn't have the space," said Wright.

A short grass prairie now grows where a cement plant, auto body shop, furniture store, and grain elevator once conducted operations. John Zimmerman, 79 years old and a local historian, is the coordinator for the Le Sueur County Park Committee. The Committee has responsibility for managing the 40 acres Le Sueur County now holds title to through the acquisition project. He said plans for the space include use by community groups, for Boy Scout encampments, and as a picnic area.

Activity/Project Location

Geographical Area: **Single County in a State**

FEMA Region: **Region V**

State: **Minnesota**

County: **Le Sueur County**

Key Activity/Project Information

Sector: **Private**

Hazard Type: **Flooding**

Activity/Project Type: **Acquisition/Buyouts**

Activity/Project Start Date: **08/1993**

Activity/Project End Date: **Ongoing**

Funding Source: **Hazard Mitigation Grant Program (HMGP)**

Activity/Project Economic Analysis

Cost: **Amount Not Available**

Activity/Project Disaster Information

Mitigation Resulted From Federal
Disaster? **Yes**

Federal Disaster #: **993 , 06/11/1993**

Value Tested By Disaster? **Yes**

Tested By Federal Disaster #: **No Federal Disaster specified**

Year First Tested: **1997**

Repetitive Loss Property? **Unknown**

Reference URLs

Reference URL 1: **<http://www.floodsmart.gov/>**

Reference URL 2: **<http://www.hsem.state.mn.us/>**

Main Points

- But for the last two flooding events, damage to residences and businesses along Highway 99 in the East St. Peter area simply did not occur. A buyout program, initiated after devastating flood damage in 1993, helped 16 business owners and two homeowners move out of the floodplain by the time the 1997 flood hit.
- Repetitive flooding endangers communities at many levels: loss of life, reduction of property values, significant losses in revenue and stress-related illnesses. These severe consequences push citizens and local officials to action and force difficult decision-making.
- The flood of 1993 caused business losses of hundreds of thousands of dollars from damage and lost revenue. Even at that, the decision to "get out" was an agonizing one.



In 2001, the Minnesota River rose to high levels



The newly elevated Whiskey River Restaurant stays dry